



THE HOME BUILDERS FEDERATION

Development Management
Civic Centre
Barras Bridge
Newcastle upon Tyne
NE1 8QH

Date: 4th December 2015

Email: planning.control@newcastle.gov.uk

Sent by Email only

Dear Sir / Madam,

Newcastle Planning Obligations SPD

1. Thank you for consulting with the Home Builders Federation (HBF) on the Planning Obligations SPD
2. The HBF is the principal representative body of the house building industry in England and Wales and our representations reflect the views of our membership of multinational PLCs, through regional developers to small, local builders. Our members account for over 80% of all new housing built in England and Wales in any one year including a large proportion of the new affordable housing stock.
3. We would like to submit the following comments upon the SPD.

General Comments

4. The Council is reminded that the purpose of an SPD is to assist developers in making successful planning applications. The NPPF (paragraph 153) clearly indicates that SPDs should;

‘...be used where they can help applicants make successful applications or aid infrastructure delivery, and should not be used to add unnecessarily to the financial burdens on development’.

5. The HBF supports the Council in attempting to provide clarity to its policies and in general it is considered that the SPD, as drafted, will assist in this regard. There are, however, a number of elements of the SPD which appear to go beyond this role and where we have specific concerns. These are highlighted in our comments upon specific sections of the SPD, below.
6. The SPD is based upon a combination of saved UDP policies and the recently adopted Core Strategy and Urban Core Plan (CSUCP). We have concerns over the continued use of saved UDP policies which underpin this SPD. The UDP was adopted in 2007 and as such significantly pre-dates the

NPPF and more recent National Planning Practice Guidance (PPG). In such cases paragraph 215 of the NPPF clearly states that policies contained within such plans can only be given weight according to their degree of consistency with the NPPF. It is therefore vital that these policies are brought up to date at the earliest possible opportunity or deleted. This is particularly important given that many play an important role in determining the levels of contributions and, in some cases, without an up to date evidence.

Part 1: Introduction and Background & Part 5: Newcastle City Council response to the CIL Regulations

7. The HBF notes that the SPD will be run in conjunction with the Council's proposed Community Infrastructure Levy (CIL). However, the SPD should recognise that it may need to be updated once the full implications of the CIL are known, including the items of infrastructure proposed to be provided for via CIL. Furthermore the SPD could usefully make reference to the fact that the Government are committed to a further review of CIL.

Part 9: City Council approach to location of provision through obligations

8. The recognition that whilst there is a preference for contributions to be on-site, this may not be practical or appropriate in all cases, is welcomed and supported.
9. The final paragraph of this section refers to the potential pooling of contributions (up to a maximum of five). The Council will be aware of the potential conflict with the CIL regulations where contributions towards certain projects or infrastructure types have already been sought. In this regard it is recommended that the SPD provide further clarity in respect of this paragraph.
10. It would also be useful for the SPD to commit the Council to providing an up to date list of infrastructure projects and types which have already received contributions or where contributions are pending. This would not only assist the development industry in determining the likely costs associated with development but would ensure that the process of agreeing infrastructure requirements is more transparent for all involved including the public. A link to such information could be included within the monitoring and implementation section of the SPD (Parts 14 and 15).

Part 10. Drafting of Agreements

11. The HBF supports the use of template agreements, wherever possible, as this can minimise the time and delays often experienced during the drafting of agreements.

Part 12: Financial Contributions

12. The HBF supports the potential to phase contributions in large scale developments, in order to match the proportional impact of each phase of the development. It is recommended that the SPD also include similar

phasing of contributions where this would aid the viability of sites, particularly those which are more marginal. This will assist in the delivery of those sites.

Part 16: Viability

13. The HBF is supportive of the inclusion of viability considerations within the SPD. It is considered that this section could be strengthened by reference to the fact that the Council needs to ensure that it is not planning to the margins of viability (PPG 10-008) and that the level of obligations must be set against the need for the Council to deliver, as a minimum, the housing requirement.
14. It is also considered that this section of the SPD should be given greater prominence so that it not only sets the context, but would ensure that the delivery of the housing requirement is at the forefront in the mind of decision makers.

Part 17: Citywide Planning Obligation Types

Affordable Housing

15. The HBF welcomes the flexibility identified in the SPD in relation to the application of the adopted CSUCP Policy CS11. The Council will be aware that RPs are currently facing difficulties due to the issues surrounding rent reductions. This is having a significant 'knock-on' effect upon housebuilders who are experiencing difficulties in getting RPs to commit to new schemes. Pragmatic solutions are therefore required in such cases, indeed the recent letter from the Secretary of State to all Councils on this issue confirms the need for such pragmatism. It is considered that the SPD could usefully make reference to these issues and include them within the '*exemptions from obligations*' section.
16. The Council should also reflect that, upon their introduction, starter homes will have an impact upon the amount and types of affordable housing required.

Training and employment management provision

17. The HBF is supportive of delivering appropriate employment and training opportunities. The requirement for this to form part of a planning obligation in all cases is not, however, supported. The inclusion of additional items to planning obligations not only slows down the process but also adds additional financial burdens to the development industry.
18. In terms of relevant policies it is noted that reference is made to CSUCP Policy CS5. This policy is considered the most appropriate policy base as it is NPPF compliant and has recently undergone examination. The policy does reference the need for recruitment and training but neither it nor the supporting text make reference to the need for specific obligations to be provided but rather refers to '*partnership working with developers*' (paragraph 9.12 CSUCP). The SPD appears to take this a step too far by placing a mandatory requirement upon developers, this does not appear consistent with partnership working. The requirement will also place additional burdens upon the development industry which are unjustified and

beyond the scope of an SPD. Furthermore it appears unlikely that the inclusion of such a requirement can be justified in relation to the tests set out within regulation 122 of the CIL regulations.

19. The Council will be aware that many of our members have their own training programmes, this should be recognised. The HBF recommend that the SPD acknowledges this and in the event that a requirement can be justified any existing training programmes must form part of the agreement.

Information

20. I trust the Council will find the foregoing comments useful as it considers amendments to the SPD. The HBF is keen to continue working with the Council and as such would be open to further discussions with regards these comments if considered appropriate.

Yours sincerely,

MJ Good

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